

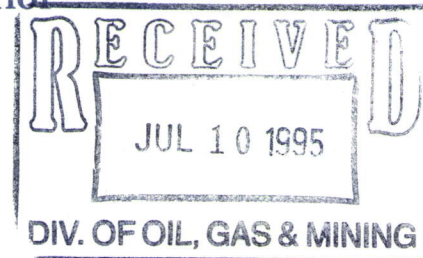


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
324 South State, Suite 301
Salt Lake City, Utah 84111-2303

M/047/013



IN REPLY REFER TO:

3504
U-0115850 et al
(UT-923)

JUL 07 1995

CERTIFIED MAIL--Return Receipt Requested

DECISION

Principal/Obligor:	:	Lease Serial No.: U-0122694
Ziegler Chemical & Minerals Corp.	:	Personnel Bond No.: _____
100 Jericho Quadrangle, Suite 140	:	Bond Amount: \$5,000
Jericho, NY 11753	:	
Surety:	:	
Travelers Indemnity Company	:	Lease Serial Nos.: U-0115850,
One Tower Square	:	U-0122693, U-0124568, U-0126939
Hartford, CT 06183-6014	:	Surety Bond No.: _____
	:	Bond Amount: \$25,000

Additional Bond Amount Required

In accordance with 43 CFR 3504.1-6, the bond amount for any lease may be increased when additional coverage is determined appropriate. The Utah State Office is recommending that the amount of your current \$25,000 Statewide bond and the \$5,000 lease bond be consolidated into one statewide bond in the amount of \$71,000.00.

The bond increase is based on the following calculations:

1. Rent @ \$3.00 per acre = \$4,736.00 \Rightarrow 1578.7 ACRE
2. Royalty @ \$41,850.00
3. Reclamation of two shaft sites @ \$23,495.68

A copy of the recommendations and bond calculations has been enclosed for your reference.

The adjusted bond may be furnished by either a surety bond or personnel bond. Bond information and the current bond forms are enclosed. If you do not agree with the recommended amount, you must submit written justification to this office. You are allowed 60 days from receipt of this Notice in which to comply. An extension of time may be granted if your request is submitted in writing within the 60 day compliance period.

/s/ ROBERT LOPEZ

Robert Lopez
Chief, Branch of Mineral
Leasing Adjudication

Enclosures

Copy of BLM Recommendations
Bond Information and Bond Forms

cc: Ziegler Chemical and Minerals Corporation, w/encl
Attn: Norman Haslem
Star Route
Vernal, Utah 84078

✓ Utah Division of Oil, Gas & Mining
Attn: Tony Gallegos
Three Triad Center, Suite 350
355 West, North Temple Street
Salt Lake City, UT 84180-1203